

CONTENTS

| | | |
|--|---|------|
| Introduction | 1 | 1/A4 |
| Characteristics of the Firms | 1 | 1/A4 |
| <i>Banking and Insurance</i> | 1 | 1/A4 |
| <i>Marketing and Leasing</i> | 3 | 1/A6 |
| <i>Shipping and Fishing</i> | 3 | 1/A6 |
| Where Firms Are Located | 4 | 1/A7 |
| Prospects | 5 | 1/A8 |

Appendixes

| | | |
|--|----|-------|
| A. Soviet Firms Operating in the West | 7 | 1/A10 |
| B. Soviet Organizations Having Equity | | |
| Holdings in Western Firms | 23 | 1/B12 |
| C. Alphabetical List of Soviet Organizations | | |
| and the Companies They Have Invested In. | 25 | 1/B14 |

JAN 4 1978

EX 3.10/5: 77-10486

COMPLETED
ORIGINAL



10CLC
3/6/78

Soviet Commercial Operations in the West

Available For
Distribution From DOCEX

ER 77-10486
September 1977

This publication is prepared for the use of U.S. Government officials. The format, coverage and contents of the publication are designed to meet the specific requirements of those users. U.S. Government officials may obtain additional copies of this document directly or through liaison channels from the Central Intelligence Agency.

Non-U.S. Government users may obtain this along with similar CIA publications on a subscription basis by addressing inquiries to:

Document Expediting (DOCSEX) Project
Exchange and Gift Division
Library of Congress
Washington, D.C. 20540

Non-U.S. Government users not interested in the DOCSEX Project subscription service may purchase reproductions of specific publications on an individual basis from:

Photoduplication Service
Library of Congress
Washington, D.C. 20540

Soviet Commercial Operations in the West

Central Intelligence Agency
Directorate of Intelligence

September 1977

Introduction

In a growing number of countries throughout the world the Soviet Union has both jointly and wholly owned firms involved in shipping, fishing, insuring, leasing, banking, and selling Soviet manufactured products and raw materials. Although some have been operating for many years, a substantial number have been established since the early 1970s, particularly in shipping and fishing (see the chart). In 1970 there were 28 foreign-based Soviet firms; at the end of 1976 the total had mushroomed to 84.¹ The driving force behind this rapid expansion has been Moscow's need to increase its hard currency earnings and to expand its commercial presence in the West.

Other benefits include access to Western managerial expertise, knowledge of local markets, and lower hard currency costs associated with exporting. Finally, Soviet-controlled marketing firms are more willing than Western agents to promote the sale of Soviet products, including establishing retail outlets, warehousing facilities, and technical service centers.

Characteristics of the Firms

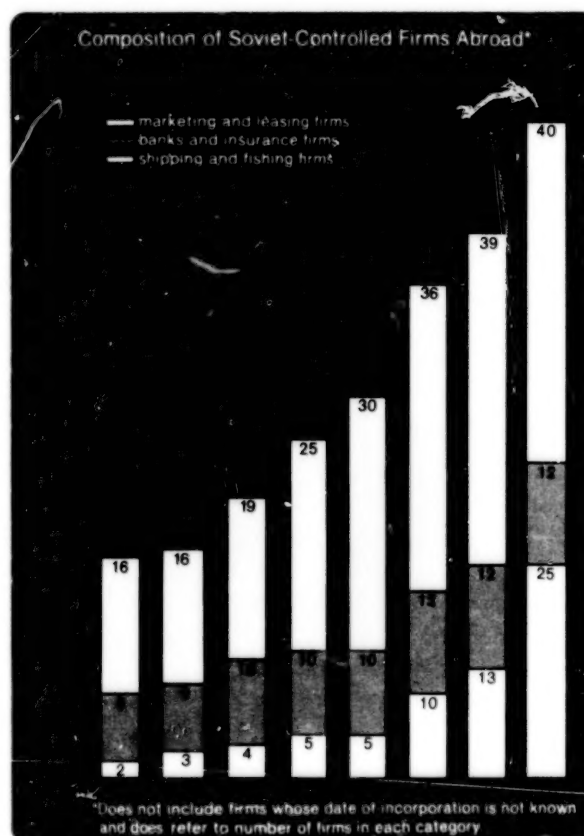
Soviet firms in the West are incorporated locally, and most have relatively small staffs with a few Soviet citizens. The initial capitalization is small, with Soviet ownership usually 50 percent or more except where limited by law. Soviet foreign trade organizations (FTOs), which are subordinate to the Ministry of Foreign Trade (MFT), are the Soviet partners for the majority of these firms. The banking, insurance, shipping,

and fishing concerns take their orders from appropriate Soviet ministries.²

Banking and Insurance

Banks are among the oldest Soviet firms abroad. Since before World War II, they have helped finance transactions between East and West. These banks have built a solid reputation

² For a detailed list of Soviet Ministries and other organizations that have equity holdings in Western firms, see appendixes B and C.



574077 9 77

¹ See table 1. For a comprehensive listing of Soviet firms operating in the West, see appendix A.

Table 1
Soviet Western Firms, by Type and Country of Location
1976

| | Total | Banks and Insurance | Shipping | Fishing | Consumer Goods | Autos, Tractors, Airplanes | Machinery, Equipment | Raw Materials | Chemicals | Leasing |
|---------------------------------------|-----------|---------------------------|-----------|----------|-------------------|----------------------------------|-------------------------|------------------|-----------|----------|
| Total | 84 | 12 | 22 | 6 | 5 | 10 | 17 | 6 | 4 | 2 |
| Developed West | 73 | 9 | 20 | 3 | 5 | 8 | 16 | 6 | 4 | 2 |
| Australia | 2 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Austria | 3 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Belgium | 8 | 0 | 1 | 0 | 2 | 1 | 2 | 1 | 1 | 0 |
| Canada | 5 | 0 | 1 | 0 | 0 | 2 | 2 | 0 | 0 | 0 |
| Finland | 6 | 0 | 1 | 0 | 0 | 1 | 2 | 2 | 0 | 0 |
| France | 10 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 |
| Federal Republic of Germany (FRG) | 9 | 2 | 2 | 0 | 2 | 0 | 1 | 1 | 1 | 0 |
| Italy | 4 | 0 | 3 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| Japan | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Luxembourg | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Netherlands | 3 | 0 | 1 | 0 | 0 | 0 | 2 | 0 | 0 | 0 |
| Norway | 2 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 |
| Spain | 3 | 0 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Switzerland | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sweden | 3 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| United Kingdom | 7 | 2 | 1 | 0 | 0 | 0 | 2 | 1 | 0 | 1 |
| United States | 5 | 0 | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 0 |
| Less developed coun- tries | 11 | 3 | 2 | 3 | 0 | 2 | 1 | 0 | 0 | 0 |
| Cameroon | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Ethiopia | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| Iran | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Iraq | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lebanon | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mozambique | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nigeria | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Philippines | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Singapore | 3 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |

based on caution and reliability.³ As trade expanded, so did the number of Moscow foreign banks and their activities. Three new banks and one new branch were established in the early 1970s, raising the total to nine (see table 2). These banks have become increasingly involved in Eurocurrency financing and have participated in international consortia loans to Eastern Europe, a number of developing countries, and West European borrowers. They now offer the

³ In response to Moscow's pressure in recent years to earn hard currency, several of the banks departed from their traditionally conservative stance and became involved in questionable financial deals, from which they are still recovering.

same range of services as Western commercial banks.

These banks are wholly Soviet owned, with the majority of the shares usually held by Gosbank (the Soviet State Bank) and Vneshtorgbank (the Soviet Foreign Trade Bank). While credit ceilings are set by Moscow, the banks have day-to-day autonomy. In most cases Soviet citizens hold the key positions, with local citizens hired for their financial expertise.

Soviet insurance firms in London, Hamburg, and Vienna were set up initially to cover West-

ern risks connected with East-West trade. They now offer complete lines of insurance.

These firms are completely Soviet owned: the majority shareholder is Ingosstrakh, the organization responsible for the administration of foreign insurance. All are long established—the number of such firms has remained unchanged since 1958—and have built up reputations for rapid payment of claims. Board members are mainly Soviet nationals.

Marketing and Leasing

Firms for marketing⁴ and leasing manufactured goods and services were set up to expand sales by providing the Soviets with greater flexibility in Western markets. There were 44 such firms in 1976 (see table 3). The majority are involved in promotion, two are in leasing, and three offer computer services. They are mostly jointly owned.

Marketing firms generally act as purchasing and selling agents for an FTO. They have been only partially successful, in part owing to the poor Soviet reputation for quality manufactured products and follow-on service.

Shipping and Fishing

Jointly owned shipping firms aid Soviet shipping worldwide by cutting costs of commissions and fees associated with Soviet activities at foreign ports. These firms direct customers to the 16 steamship companies headquartered in the USSR: the most notable are the Far Eastern of Vladivostok, the Baltic of Leningrad, the Black Sea of Odessa, and the Arctic of Murmansk.

In general, Moscow's practice has been to buy into or take over existing local firms in establishing new joint steamship agencies. These Soviet-controlled firms are under the control of the Ministry of the Maritime Fleet, and it has been common practice for them to offer lower rates than Western competitors. In 1975-76, 10 new

⁴ The term *marketing* is used loosely to identify the primary activity of these firms. A few also engage in assembly or production activities, adapting Soviet products to local requirements and tastes. Scaldia-Volga in Belgium and Slava in France are examples of marketing firms with production or assembly operations.

Table 2

Soviet Banks and Insurance Firms

| Name (Location) | Date Established | For Description, See the Page Indicated Below in Appendix A |
|--|------------------|---|
| Bank Russo-Iran (Tehran) | 1923 | |
| Office in Isfahan | Circa 1975 | 19 |
| Banque Commerciale pour l'Europe du Nord (BCEN-Eurobank) (Paris) | 1921 | 13 |
| Black Sea and Baltic General Insurance Company, Ltd. (London) | 1925 | 17 |
| Donaubank (Vienna) | 1974 | 7 |
| East-West United Bank, S.A. (Luxembourg) | 1974 | 15 |
| Garant Versicherungs A.G. (Vienna) | 1958 | 7 |
| Moscow Narodny Bank, Ltd. (MNB) (London) | 1919 | 18 |
| Branch in Beirut | 1963 | 20 |
| Branch in Singapore | 1971 | 20 |
| Ost-West Handelsbank (Frankfurt) | 1971 | 11 |
| Schwarzmeer und Ostsee Transportversicherungs A.G. (SOVAG) (Hamburg) | 1927 and 1956 | 11 |
| Wozchod Handelsbank A.G. (Zurich) | 1966 | 17 |

Soviet-Western joint shipping firms were established, raising the total to 22 (see table 4).

During the past decade the Soviets have steadily expanded their fishing industry—particularly in the LDCs—increasing their base facilities to accommodate a growing fishing fleet. By the end of 1976, Moscow had six joint fishing ventures in operation with a number of others under negotiation.⁵

Through these joint ventures, the Soviets are allowed to use local port facilities and to fish coastal waters that would otherwise be off limits as a growing number of countries establish

⁵ In addition to these purely commercial ventures, Moscow has concluded government-to-government agreements that tie Soviet aid to the joint venture arrangement. At end of 1976 the Soviets had concluded or had under negotiation some 20 of these government-to-government joint fishing ventures with less developed countries.

Table 3
Marketing and Leasing Firms

| Name (Location) | Date Established | For Description, See the Page Indicated Below in Appendix A | Name (Location) | Date Established | For Description, See the Page Indicated Below in Appendix A |
|--|---------------------|---|--|------------------|---|
| Actif Avto (Paris) | 1966 | 13 | Nafta-B (Antwerp) | 1967 | 8 |
| ALCO (Stockholm) | End 1975 | 17 | Nafta G B (London) | NA | 18 |
| Amtorg (New York) | 1924 | 19 | Neotype Techmaschexport GmbH (Cologne) | 1973 | 10 |
| Belarus Equipment, Ltd. (Toronto) | 1972 | 10 | Plodimex Aussenhandels GmbH (Juelich, FRG) | 1974 | 11 |
| Belarus Machinery of USA, Inc. (Milwaukee) | End 1976-early 1977 | 19 | Promolease (Paris) | 1974 | 14 |
| BELSO, Ltd. (Antwerp) | 1966 | 8 | Russalmaz N.V. (Antwerp) | 1972 | 9 |
| East-West Agencies (The Hague) | 1969 | 15 | Russalmaz A.G. (Frankfurt, FRG) | 1975 | 11 |
| N.V. East-West Agencies (Aartselaar, Belgium) | 1973 | 8 | Rusbois (Paris) | 1969 | 14 |
| East-West Leasing Company (London) | 1973 | 18 | Russische Holz GmbH (FRG) | 1974 | 11 |
| Elog B.V. (Hilversum, Netherlands) | 1972 | 15 | Scaldia-Volga (Brussels) | 1964 | 9 |
| N.V. Elog Belgie (Aartselaar, Belgium) | 1974 | 8 | Slava, S.A. (Besancon, France) | 1972 | 14 |
| EMEC Trading, Ltd. (Vancouver) | 1973 | 10 | Sobren Chemiehandel GmbH (Muelheim, FRG) | 1974 | 11 |
| Ethiopian-Soviet Trade Company, Ltd. (ETHSO) (Addis Ababa) | 1967 | 19 | Socan Aircraft, Ltd. (Calgary) | 1975 | 10 |
| N.V. Ferchimex (Antwerp) | 1972 | 8 | Sogo and Company, S.A. (Paris) | 1968-69 | 14 |
| Finn-Elog (Helsinki) | 1974 | 12 | Stan Canada Machinery, Ltd. (Toronto) | 1972 | 10 |
| GISOFR (France) | 1971 | 13 | Stanitaliana S.p.A. (Milan) | 1971 | 14 |
| Keteko (Cameroon) | 1973 | 19 | Stankofrance (Longjumeau, France) | 1971 | 14 |
| Koneisto A.B. (Helsinki) | 1964 | 12 | Suomen Petrooli (Helsinki) | late 1940s | 13 |
| Koneisto Norge A.S. (Drammen, Norway) | 1967 | 16 | Tebol Oy (Helsinki) | NA | 13 |
| Konela (Lauthasarri, Finland) | 1947 | 12 | Technical and Optical Equipment, Ltd. (London) | 1968 | 18 |
| Konela Norge Bil (Oslo) | NA ¹ | 16 | United Machinery Organization Plant, Ltd. (UMO) (Letchworth, United Kingdom) | 1969 | 18 |
| Matreco Bil, A.B. (Stockholm) | NA | 17 | West African Automobile and Technical Engineering Company (WAATECO) (Lagos) | 1967 | 20 |

¹ Not available.

200-mile maritime or fishing zones. The Soviets have a ready market for their catch, and pressure on traditional Soviet fishing grounds is relieved. The local industry, in turn, has access to Soviet fishing techniques, to improved port and fish processing facilities, and to increased fish exports.

In most cases the USSR provides the technical expertise and capital equipment. The firms usually lease Soviet ships with the option to buy. They usually are jointly manned and are also used for training and research. In most cases LDCs limit Soviet equity in the joint venture to 49 percent.

Where Firms Are Located

The locations of these firms appear to be dictated by several considerations.

- There is an apparent correlation between the legal restrictions of the host country and the number of Soviet-controlled firms there. Belgium, with very liberal regulations, has eight Soviet joint-equity firms. Japan, with its more restrictive regulations, has only one.
- In most cases Soviet firms in the West are in cities that have built up a reputation for a particular service or expertise, such as Antwerp and Singapore for shipping and Lon-

don, Zurich, and Frankfurt for international finance.

- Almost all the marketing and leasing firms are in Western Europe, owing largely to the proximity of these countries to the USSR.
- Soviet-controlled shipping firms are located on the Atlantic and Pacific coasts of North America, in Western Europe, and in North and Southeast Asia.
- Soviet joint-equity fishing enterprises are concentrated in the developing countries that offer access to territorial waters in return for a relatively small Soviet investment in ships and port facilities.

Prospects

We expect the number of Soviet-controlled firms in the West to continue to grow in the coming years, with most of the expansion occurring in joint-equity marketing, shipping, and fishing operations. It is doubtful that the number of Soviet banks or insurance firms will increase substantially, although the Soviets have expressed an interest in establishing a bank in New York to take advantage of the last important financial market not yet tapped.

Moscow will probably seek to push the sale of manufactured goods in the West through foreign-based marketing firms. Whether this will entail an expansion of the number of such firms is difficult to say. In any event, the Soviets will have to overcome traditional shortcomings such as the failure to provide adequate supplies of spare parts, the inability to meet quickly changes in Western demand, and the poor appearance and quality of their products. None of these are likely to be corrected soon.

Expansion of the number of joint-equity shipping firms may be somewhat slower than in the last few years because of:

- The limited number of Western ports where the Soviets would want to establish new shipping agencies to handle their shipping lines.
- The present hostile feeling toward Soviet-controlled shipping agencies as a result of rate

Table 4

Shipping, Shipping-Related, and Fishing Firms

| Name (Location) | Date Established | For Description, See the Page Indicated Below in Appendix A |
|--|------------------|---|
| Anglo-Soviet Shipping Company, Ltd. (S ¹) (London) | NA ² | 17 |
| Asotra (S) (Vienna) | 1976 | 7 |
| Dolphin Agenzia Maritima (S) (Genoa) | 1976-77 | 14 |
| Fil Sov Shipping Company (S) (Manila) | 1974 | 20 |
| Fransov (F ³) (France) | 1976 | 13 |
| Fresco Australia Line (S) (N.A.) | 1976 | 7 |
| Intrammar, S.A. (S) (Madrid) | 1976 | 16 |
| Marisco (F) (Singapore) | 1975 | 20 |
| Morflot American Shipping, Inc. (S) (United States) | 1976 | 19 |
| Morflot Freight Liners, Ltd. (S) (Vancouver) | 1975 | 10 |
| Opal Maritime Agency, Ltd. (S) (Sydney) | 1974 | 7 |
| Pesconsa, S.A. (F) (Madrid) | 1975 | 16 |
| Rafidian Fisheries, Ltd. (F) (Iraq) | 1974 | 20 |
| Sagmar, S.A. (S) (Paris) | 1974 | 14 |
| Saimaa Lines, Ltd. (S) (Finland) | Mid-1970s | 12 |
| Scansov Transport, A.B. (S) (Stockholm) | 1976 | 17 |
| Singapore-Soviet Shipping Company (SOSIAC) (S) (Singapore) | 1967 | 20 |
| Sovfracht (USA), Inc. (S) (New York) | NA | 19 |
| Sovhispan (S) (Barcelona) | 1971 | 16 |
| Soviet-Mozambique Fishing Company (F) (N.A.) | End 1976 | 20 |
| Sovitalmare (S) (Italy) | 1976 | 15 |
| Sovitpesca S.p.A. (S) (Leghorn, Italy) | 1976 | 15 |
| Transworld Marine Agency (TWM) (S) (Antwerp) | 1970 | 9 |
| Transworld Marine Agency, N.V. (S) (Rotterdam) | 1972 | 16 |
| Ueberseeschiffahrtsagentur Transnautic GmbH (S) (Hamburg) | 1974 | 12 |
| United Orient Shipping Agency Company, Ltd. (S) (Tokyo) | 1969 | 15 |
| US-USSR Marine Resource Company, Inc. (F) (Seattle) | 1976 | 19 |
| Wesotra (S) (Cologne) | 1976 | 12 |

¹ Shipping or shipping-related firms

² Not available

³ Fishing firms

cutting policies of the Soviet lines they represent.

The network of joint fishing ventures (and fisheries aid agreements), on the other hand, will

probably expand much more rapidly than in recent years. The proliferation of 200-mile fishing zones around the world means these jointly owned entities will provide Soviet access to fishing grounds that would otherwise be off limits.

Appendix A

Soviet Firms Operating in the West¹

Developed West

Australia

Two Soviet joint-equity firms were established in Australia in the past few years and are maritime related.

Fresco Australia Line (NA)

Fresco Australia Line was formed in early 1976 and is 85-percent Soviet owned. It offers a 15-percent freight discount.

Opal Maritime Agency, Ltd. (Sydney)

Opal Maritime Agency was established in 1974 in Sydney to service Soviet ships in Australian ports. Sovinflat, of the Ministry of the Maritime Fleet, probably holds the majority of ownership shares.

Austria

There are three Soviet joint stock companies operating in Austria, all in Vienna.

Asotra

Asotra began transport and freight forwarding operations in April 1976. Of the 2 million Austrian schillings (AS)—\$111,500—of initial capital, \$58,000 was invested by the Soviet freight forwarding firm Soyuzvneshttrans; the Austrian firm Express GmbH and two Austrian subsidiaries of the Swiss companies Panalpina and Danzas each contributed \$18,000.

Asotra's responsibilities include the transport of goods from the USSR to Austria, acceptance of goods in Austria for transport through the USSR, and shipment of Soviet imports and exports in transit through Austria, as well as imports and exports from other countries. Asotra employs 15 people; both managers are Austrian. As Asotra expands its operations, Austrian freight forwarding firms such as Schenker A.G.,

Kirchner and Company, and Internationale Transport A.G. may lose Soviet business.

Donaubank

Donaubank was established in April 1974 to facilitate East-West trade. It had an initial capitalization of 100 million AS (\$5 million) and is wholly owned by Gosbank and Vneshtorgbank.

Garant Versicherungs A.G.

In 1958 the Administration of Foreign Insurance of the USSR (Ingosstrakh) and Sovfrakht, the Soviet ship chartering organization, formed the Garant Insurance Company. It quickly earned a solid reputation for prompt payment and cheap rates among Western companies. More than half of Garant's business is with West Germany even though it has no offices there. Austria and Switzerland rank second and third, respectively.

Garant was originally active in every phase of insurance, ranging from total coverage for aircraft and automobiles to fire, theft, and water damage. Since 1974, however, insurance for late payment has become its most important business, accounting for \$567,263 in premium income in 1974. (Premium income from machine and shipment insurance together totaled only \$539,014.) In addition, in responding to the current emphasis on East-West compensation deals and joint ventures, Garant recently began offering a type of insurance called a machine performance guarantee, which accepts the seller's liability if the equipment does not satisfy the terms of the sales contract.

Garant maintains a permanent representative in Belgium and is represented by local insurance brokers in France, Switzerland, and Lebanon.

Belgium

The legal, political, and business climate for foreign investor and foreign-controlled commercial activities in Belgium is better than elsewhere

¹Firms are listed in alphabetical order under an alphabetical listing of countries. The countries are divided into two groups: developed West and less developed countries.

in Europe, and Antwerp's port and related facilities are attractive to international traders.

Seven of the eight Soviet-controlled entities cover a wide range of functions including sales outlets for oil, diamonds, chemicals, Soviet automobiles, consumer goods, precision industrial products, computers, and computer services. Four of the firms have been set up since 1971.

**Belgium-Soviet Trade Company
(BELSO, Ltd.) (Antwerp)**

BELSO, which specializes in the wholesale trade of foodstuffs and consumer goods, was founded in 1966 with an initial capital of 10 million Belgian francs (BF) (\$200,000). The Soviet foreign trade organizations Vneshposyltorg, Eksportles, Raznoeksport, and Prodintorg hold an interest of at least 50 percent in the firm, with the remainder being divided among five Belgian firms.

In 1973, BELSO's capital was increased to 19.2 million BF (\$493,000), allowing the Soviets to increase their control of the company to 75 percent. BELSO also sells to the USSR. It has sales offices in Brussels, Antwerp, Liege, and Charleroi and sells more than 3,000 items to more than 700 Belgian firms.

Although specializing in the wholesale trade of foodstuffs and consumer goods, BELSO opened a department store in Brussels in 1967 called Maison de la Russie, which markets a variety of Soviet-produced goods—food, spirits, watches, cameras, and handicrafts. BELSO has five other retail shops located throughout the country. Sales of Soviet goods through BELSO in 1973 totaled \$13 million; sales to the USSR totaled \$21 million. Sales in 1974 and 1975 reportedly increased.

**N.V. East-West Agencies
(Aartseiaar)**

East-West Agencies was established in 1973 near Antwerp and is a subsidiary of a Soviet-controlled Netherlands firm of the same name. East-West Agencies was formed to carry on trade in Soviet-made precision industrial products such as photographic equipment, optical

instruments, radios, television sets, and accessories. It assumed the Soviet wholesale and retail marketing responsibilities that were previously handled by the Belgian trading company Rosencranz and Company. It is empowered to rent or to lease real estate and buildings.

**N.V. Elorg Belgie
(Aartselaar)**

Elorg was incorporated early in 1974 as a subsidiary of the Dutch firm Elorg. The Soviets hold majority—up to 80 percent—ownership. Several Soviet foreign trade organizations and jointly owned firms are shareholders, including Nafta-B, BELSO, Scaldia-Volga in Belgium, and Elorg B.V. in the Netherlands. Elorg handles all commercial and financial transactions connected with the export of Soviet computers and other electronic goods to clients in Belgium and abroad. It also prepares, buys, and sells computer programs, and it repairs computers and other electronic equipment.

N.V. Ferchimex (Antwerp)

Ferchimex was formed in 1972 to market Soviet fertilizers and chemical products in Belgium and neighboring countries. The Soviet Union holds 60 percent of the equity through four Soviet FTOs—Soyuzpromeksport, Soyuzkhimeksport, Soyuznefteeksport, and Avtoeksport. The remaining 40 percent was divided among three Belgian firms—Bunkering and Stevedoring Company S.A., Societe Commerciale Antoine Vloeberghs S.A., and Steinman and Company S.A.

Nafta-B (Antwerp)

Nafta-B was established in 1967 to promote the export of Soviet petroleum and petroleum products to Belgium and adjoining countries. It was initially capitalized at 3 million BF (\$60,000), with the Soviets holding 60 percent of the stock through four foreign trade organizations—Soyuznefteeksport, Soyuzpromeksport, Soyuzkhimeksport, and Avtoeksport. Belgian stockholders were the Bunkering and Stevedoring Company S.A., Societe Commerciale Antoine Vloeberghs S.A., Establishments de Meurichy, and a Pierre Stoop. In 1971, its capi-

tal was raised to 133 million BF (\$2.6 million) by issuance of 6,950 additional shares, with the Soviets acquiring 90-percent control over the company. In November 1973 the capital was further increased, funded out of Nafta's net profits.

Nafta-B buys fuel oil, gasoline, and other refined petroleum products almost exclusively from the USSR and sells to Western Europe and North America. It has branch offices in Copenhagen and Zurich and distribution agencies in Antwerp, Liege, Brussels, and Bruges. It has storage tanks and a storage terminal in Antwerp, the largest and most up to date in Belgium. Total sales in 1975 amounted to 23.2 billion BF (\$657 million).

Russalmaz N.V. (Antwerp)

The Soviets established a joint-equity firm in 1972 to expand sales of finished diamonds. It was incorporated in Antwerp to exploit that city's established market for gems. The Soviet FTO Almazyvelireksport owns 80 percent of the stock. In the first half of 1975 deliveries of gemstones by the Soviets to the Antwerp market were valued at \$40 million, which was a slight increase over the previous year.

Scaldia-Volga (Brussels)

Scaldia-Volga, the oldest of the Soviet-Belgian mixed companies, was established in 1964. Two-thirds of the capital was paid in by the Soviet FTOs Avtoeksport, Machinoeksport, and Tractoroeksport. Soviet citizens make up the majority of the firm's managing directors, including the company director and the head of administration. The company deals with all aspects of assembly and sale of Soviet motor vehicles. It also sells Soviet machine tools and pressing and forging equipment.

It maintains technical and commercial centers in Brussels and Diegem. It has a customs warehouse and assembly operation in Antwerp in addition to branches in Charleroi, Ghent, Diegem, and Namur. Scaldia-Volga's network of outlets extends to other Western countries—Westphalia, FRG; Rome and Savona, Italy;

Chavannes, Switzerland; Madrid, Spain; Groningen, the Netherlands; and Luxembourg. In 1976, Scaldia-Volga had 310 sales and service centers for Soviet motor vehicles in Belgium.

The assembly plant in Diegem imports standard parts for the Moskvich and Volga autos from the USSR and assembles the autos for sale. Some of these cars are reexported to Poland, Hungary, and Bulgaria.

From being on the verge of bankruptcy in 1969, Scaldia-Volga has recovered quite remarkably. During the first 11 months of 1976 Scaldia-Volga sold 14,000 Soviet cars—12,000 more than in 1971. The introduction of the Lada automobile in Belgium appears to be responsible for a good portion of this increase in sales.

Transworld Marine Agency

(TWM) (Antwerp)

The Antwerp-based TWM was incorporated in August 1970 with an initial capital of 5 million BF (\$142,800). The Soviets controlled 75 percent of the shares, distributed among five Soviet shipping organizations: Sovinflat, Sovfrakht,² and the Baltic, Murmansk, and Latvian Steamship Companies. The remaining interest is held by Societe Commerciale Antoine Vloeberghs S.A. and Steinman and Company S.A., along with a Belgian national who also holds interest in Nafta-B. Near the end of 1972, TWM's initial capital was raised to 12 million BF (\$342,800) by issuing 1,400 new shares. The Belgian minority shareholders received new shares in proportion to their original equity.

TWM is one of the largest shipping agencies in the Benelux countries. It represents at least 20 Soviet international lines, including the Arctic Line, which handles trade with Canada; Baltamerica Line, with the east coast of South America; the Baltaustralia Line, with Australia; and the Balt New Zealand Line, with New Zealand. At the end of 1976, TWM represented about 25 percent of Soviet international liner services. It has branch offices in Ghent, Ostend, Zeebrugge, and Brussels, in Belgium; Amster-

²For a description of these two organizations, see appendix B.

dam, Rotterdam, Delfzyl, Vlissingen, and Terneuzen, in the Netherlands; and Duesseldorf and Frankfurt in the FRG. TWM acts as a freight forwarder, customs representative, shipping agent, insurer, financier, and travel agent. There were 1,310 Soviet vessels serviced in Belgium by TWM and its subagent in 1973, and 1,442 in 1974.

Canada

The USSR has established five joint-equity firms in Canada since 1971. Four of the firms handle equipment sales; the fifth is a shipping agency.

Belarus Equipment, Ltd. (Toronto)

Belarus Equipment was formed in 1972 to sell and service Soviet-produced tractors and other farm equipment. The Soviet FTO Traktoroexport has an 80-percent interest in the company, while the remaining 20 percent is reportedly owned by Satra Corporation—a New York-based trading corporation. Belarus Equipment has established an extensive network of dealers located in Saskatchewan, Ontario, Quebec, and the Maritime Provinces. In all, there are more than 100 sales centers throughout Canada. Sales of Soviet tractors have increased from 1,236 tractors in 1975 to an estimated 2,400 in 1976.

EMEC Trading, Ltd. (Vancouver and Winnipeg)

EMEC was established in March 1973 and is wholly owned by the Soviets. Although EMEC was set up to represent the Soviet FTO Energomasheksport in a wide range of goods, it primarily has been involved in the sale of hydroelectric turbines. There are 16 Soviet citizens active in the firm. The president and chief executive officer are Soviet, and a Canadian acts as director and legal counsel.

Morflot Freight Liners, Ltd. (Vancouver)

On 31 December 1975, Morflot, representing Sovinflat, acquired all the assets (including employees) of Pacific International Freightliners (PIF), Ltd., which had been operating since 1967. Like its predecessor, Morflot Freight

Liners is controlled by the Soviets. Its current Canadian partner—a former PIF principal stockholder—holds only 5 percent of the shares, and they are callable at Morflot's option at book value. Morflot Freight Liners acts as a general agent for Soviet shipping in Canada.

Socan Aircraft, Ltd. (Calgary)

Socan Aircraft was incorporated in late 1975 to market and service the Soviet-built YAK-40 (a medium range jet) in Canada. A Soviet FTO, Aviaeksport, owns two-thirds of the company; the rest is held by Allarco, a large Canadian conglomerate. The executive vice president and three members of the five-man board are Soviet citizens. When YAKs are delivered, North American avionics will be installed in the aircraft.

Stan Canada Machinery, Ltd. (Toronto)

Stan Canada was formed in 1972 and is wholly owned by the Soviet FTO Stankoimport. Stan Canada sells and services metal working tools and industrial machinery produced in the USSR. It has 11 Soviet employees, including two of the vice presidents. Since opening, it has established another office in Montreal.

Federal Republic of Germany (FRG)

There are nine Soviet joint stock companies operating in the Federal Republic of Germany. All have been established since 1970, reflecting the large increase in Soviet-West German trade. These firms require the same governmental authorization as any other foreign firm attempting to establish an office or production facility in the FRG.

Neotype Techmaschexport GmbH (Cologne)

Neotype was set up in 1973 to promote the sale of Soviet machinery and equipment, particularly printing and composing equipment. Initially, the Soviet FTO Tekhmasheksport held 75 percent of the shares, with the West German company Anton Ohlert holding the rest. In 1975 the FTO Tekhnopromimport also became a shareholder.

Neotype replaced a company that had been established earlier by Anton Ohlert to import Soviet printing equipment into the FRG. Neotype has sold machinery to 143 West German printing houses and has a sales network extending to countries in Europe, Asia, and Africa. Sales to third countries make up more than half of Neotype's business. In 1975-76 the company's total sales increased 30 percent.

Ost-West Handelsbank (Frankfurt)

Ost-West Handelsbank was set up in 1971. The bank handles commercial financing between West Germany and the Soviet Union. It also maintains a foreign exchange department and has become involved in project financing. As with other Soviet banks, the USSR is the exclusive shareholder, with Gosbank holding the majority interest. Assets at yearend 1974 were \$559 million and probably have increased since.

Ost-West Handelsbank has a staff of over 100, including five Soviet nationals. (Two Germans must be members of the board of management according to German banking law.)

Plodimex Aussenhandels GmbH (Juelich)

Plodimex was founded in 1974 with a capitalization of 1.3 million deutsche marks (DM)—\$514,000. The Soviet FTO Soyuzplodoimport holds the majority interest. Simex Aussenhandelsgesellschaft GmbH, which had been the importer of Soviet vodka, red wine, brandy, and champagne since 1963, holds the remaining 49 percent. Plodimex is authorized to sell Soviet wines and vodka in the FRG and in neighboring countries, such as Austria, Denmark, Holland, and Switzerland. Over time, other types of food products are to be added.

Russalmaz A.G. (Frankfurt)

Russalmaz was established in 1973 to represent the interests of the Soviet FTO Almazyuvelireksport on the West Germany diamond market—that is, handling the import and export of cut diamonds, precious metals, jewelry containing diamonds, and other precious stones. A West German firm holds 10 to 12 percent of the

shares and provides day-to-day management. It is authorized to operate in other countries.

Russische Holz GmbH (Russholz) (NA)

Russholz was founded in 1974 to promote the export of Soviet wood, pulp, and paper goods. The stockholders are the Soviet FTO Eksportles and the West German companies Grateneu and Hesselbacher, F. W. Bart and Company, Jacob Jurgensen, and Axel Berlin. The general director is a Soviet citizen.

Sobren Chemiehandel GmbH (Muelheim)

The Soviet FTO Soyuzkhimeksport and the German firm Brenntag A.G. set up Sobren Chemiehandel GmbH in 1974 to sell chemical products in West Germany. Each has a 49-percent interest of the 150,000 DM (\$58,000) capital, with Ost-West Handelsbank holding the balance. In addition to selling Soviet-produced products such as ammonia and polyethylene, Sobren places import orders for Soyuzkhimeksport. It is also authorized to open branches in third countries and to enter into contracts for Soviet compensation deals with FRG firms.

Schwarzmeer und Ostsee Transport- versicherungs A.G. (SOVAG) (Hamburg)

SOVAG has had an interesting history: first set up in 1927 to deal with transportation insurance and to make its way into the German reinsurance market, it was dissolved by the Nazis in 1941 and started up again in 1956 to issue transportation and fire insurance. Since 1971 its underwriting operations have included theft, machine, construction, and credit guarantee insurance. It has a joint coverage agreement³ with the West German insurance firm Allianz in the fields of construction, machine, and machine guarantee insurance, which in effect makes SOVAG an agent of Allianz. Reportedly, SOVAG has representatives in Belgium and France. It is wholly owned by the Soviets.

³ Under the terms of the contract, every coverage undertaken by SOVAG in the construction, machine, and machine guarantee insurance fields must be written jointly with Allianz.

**Ueberschiffahrtsagentur Transnautic
GmbH (Transnautic Hamburg)**

Transnautic Hamburg was set up in 1974 to handle Soviet shipping in the Federal Republic of Germany. Reportedly, its equity is divided equally between Sovinflat and a West German firm.

**Wesotra Spedition and Transport
GmbH (Cologne)**

In 1976, the Soviet FTO Soyuzvneshttrans, the German Federal Railways, and the three West German transport firms of Kuehne and Nagel, Schenker GmbH, and Fracht-Contor agreed to establish a joint transport and freight forwarding association called Wesotra. Soyuzvneshttrans owns 52 percent of the shares. The firm is designed to improve the servicing of freight traffic between the FRG and the USSR, including the selection of the best routes for import and export shipments. It also coordinates the transport of freight from third countries and handles freight transiting Soviet territory to countries in the Middle and Far East.

Finland

There are six Soviet joint stock companies in Finland, of which four (Koneisto, Konela, Teboil, and Suomen Petrooli) have been in operation many years. These four have established a large network of branches—dealerships throughout the country dealing with the sale of Soviet automobiles, machinery, and oil. The Soviets' most recent activity involves a computer service center, established in 1974, and a maritime firm formed in the early 1970s.

Koneisto A.B. (Helsinki)

Since 1964, the sale and service of Soviet equipment and machinery has been handled by the Soviet-controlled firm Koneisto. Two Soviet FTOs, Sudoimport and Stankoimport, and two Soviet-Finnish joint stock companies, Teboil and Konela, own the company. However, Koneisto represents several other Soviet FTOs as well, including Mashinoeksport, Mashpriborintorg, Energomasheksport, Tekhmasheksport, Tekhsnabeksport, and Litsenzintorg. As a result,

Koneisto handles a wide range of Soviet-built machinery and equipment.

Koneisto maintains commercial centers and servicing facilities in Helsinki, Hanko, Jyväskylä, and Oulu. The Helsinki office includes a showroom, warehouse, and depot to service imported Soviet electric locomotives. In Hanko, there are production and storage facilities, showrooms, workshops, and spare-part warehouses covering approximately 10,000 square meters. A new service facility and showroom opened in Kirkkonummi in 1973 to handle Koneisto's growing volume of Soviet machinery.

Konela (Lauthasarri)

Konela began operations in 1947 in Lauthasarri, a suburb of Helsinki. The Soviet FTO Avtoeksport reportedly holds the majority interest. It has grown from a small workshop into one of the largest motor vehicle importers in Finland. Konela has 29 district offices, which, in turn, have shops in more than 50 towns throughout Finland. It also reportedly has 86 service facilities, which can accommodate 750 vehicles. Konela initially concentrated on the sale and service of Soviet-produced automobiles, but has since expanded to include trucks, buses, tractors, trailers, and motorcycles.

Finn-Elorg (Helsinki)

Finn-Elorg was formed in 1974 in Helsinki after prolonged negotiations. The Soviet FTO Elektronorgtekhnik holds over 50 percent of the original capital. The balance is divided between Kansallis-Osake-Pankki Bank (KOP), Oy Nokia AB (a Finnish computer manufacturer), and Teboil, a Soviet-Finnish joint stock company. Finn-Elorg's main responsibility is to run a computer batch service center. Its hardware consisted initially of two Soviet Ryad 1020 computers.

Saimaa Lines, Ltd. (NA)

The Soviets founded Saimaa Lines in the early 1970s to handle Soviet freight transiting Finland, thus relieving some of the congestion in Soviet harbors. The Finnish share of equity is not known. Saimaa has three ships servicing the

sea link with major European ports. Cargoes include both container traffic and bulk cargoes.

In 1975, Saimaa opened a new line for the transport of container cargoes from Western Europe to Iran. This route runs from Hamburg and/or Antwerp to Finland, and the cargo is then shipped by rail through the USSR. Initially, 300 containers a month were scheduled to move over this route.

Suomen Petrooli (Helsinki)

Suomen Petrooli became a Soviet-Finnish joint venture in the late 1940s. The majority shareholder is Soyuznefteksport. Two Soviet-Finnish joint ventures, Teboil Oy (see below) and Konela, reportedly hold the remainder. Suomen markets Soviet oil and oil products in eastern Finland.

Teboil Oy (Helsinki)

Teboil was registered as an oil firm in Finland in 1934 under the name of Trustwapaa Benziina; it was changed to Teboil in August 1966. The shareholders are the Soviet FTO Soyuznefteksport and the two joint stock companies, Konela and Suomen Petrooli. Teboil distributes oil products in Finland and sells gasoline, kerosene, diesel fuel, lubricants, liquefied gas, and auto accessories. In conjunction with Suomen Petrooli, which imports and exports oil and oil products in the eastern part of Finland, Teboil maintains 400 auto service stations and has a total of 15 oil product depots.

France

At yearend 1976, 10 Soviet jointly owned companies in France were involved in a broad range of commercial activities.

Actif-Avto (Paris)

In 1966, the Soviet FTO Traktorokhsport and a French farm cooperative set up a Paris-based assembly and marketing operation called Actif-Avto to handle Soviet tractors and other Soviet farm machinery. Seventy percent of the stock is held by Traktorokhsport. Soviet tractor sales have risen steadily since its establishment. Actif-Avto also runs a center near Paris for receiving

tractors and other machinery and for storing parts.

Banque Commerciale pour l'Europe du Nord (BCEN) (Paris)

In 1921 a group of wealthy Russian emigres established BCEN; in 1925 the Soviets gained control. BCEN, also known as Eurobank, has been entirely Soviet owned since, even though it operates under a French director and employs several non-Soviet citizens. At the end of 1974 BCEN's total assets were \$2.8 billion—making it one of the 10 largest banks in Paris.

BCEN (along with Moscow Narodny Bank) has been both a lender and a borrower in the Eurocurrency market and has earned an excellent reputation in Western financial markets. As a result, it has become quite active in organizing and taking part in consortia loans and in the placing of bond issues.

Fransov (NA)

Fransov was founded in 1976 to catch, process, and sell fish and fish products, especially tuna, and it is also responsible for servicing Soviet ships that fish in the Atlantic off the coast of Africa. Sovrybflot (subordinate to the Soviet Ministry of Fisheries) holds a 50-percent interest in the firm, with the remaining half being divided between the French firm Casacrus and one or two other French concerns.

Groupeement d' Interet Economique pour le Developement des Echanges Commerciaux entre l'URSS et la France (GISOFRA)

GISOFRA was established in 1971 by three state-owned French banks (Banque Nationale de Paris, Credit Lyonnais, and Societe General) and BCEN to promote the sale of Soviet heavy machinery and technology. GISOFRA is a non-profit company that can advise but not actively participate in contract negotiations—that is, it acts as an intermediary bringing together an interested French buyer and the appropriate Soviet foreign trade organization. Machinery being pushed by GISOFRA includes equipment for foundries, mines, flour mills, and industrial

bakeries. It is also attempting to arrange the sale of Soviet ore carriers.

Promolease (Paris)

Promolease was set up in 1974, and its shareholders are the Franco-Soviet bank BCEN on the Soviet side and Credit Lyonnais on the French side. The company rents or leases various types of equipment between East and West. For example, it buys Soviet-made equipment (bulldozers) to lease in the West and Western-made equipment (containers and railway cars) to lease in the Soviet Union and Eastern Europe. Ultimately, it plans to extend its operations to include the leasing of tankers, freighters, canning plants, and road-making equipment.

Rusbois (Paris)

Rusbois was established in 1969 to sell Soviet timber and timber products in France. Ownership of Rusbois is divided between the Soviet FTO Eksportles and French interests. It had a sales volume of about \$65 million in 1973. It has contacts with over 50 French firms.

Societe d'Agences Maritimes Franco-Sovietique (Sagmar, S.A.) (Paris)

Sagmar, a Soviet-French shipping company, was founded in 1974. Sovinflat is the majority shareholder. Sagmar is actually a branch of the Antwerp-based Soviet-controlled shipping company TWM.

Slava, S.A. (Besancon)

Slava was formed in 1972 and represents the Soviet FTO Mashpriborintorg. Its activities are threefold: assembly of watch movements manufactured in the USSR; selling of Soviet-made watches, clocks, and watch-making equipment; and purchase of precision equipment for the Soviet watch industry. Slava set up a sales outlet in Paris in 1973, and in 1976 it opened a plant at Besancon to assemble watches using Soviet parts and French casings. The Soviets plan production of 250,000 watches per year at this plant. In 1975, Slava sold 220,000 watches: half to the French market and half to Spain, Greece, and Lebanon.

Sogo and Company, S.A. (Paris)

Sogo and Company was founded in late 1968 by the Soviet FTO Soyuzkhimeksport and the French firm Gobert and Company. Initial capitalization was 2 million francs (\$400,000). Sogo sells Soviet chemicals, including ammonium and methanol, in France and buys raw materials for production of tires, rubber goods, plastics, and polyethylene in the USSR. It also sells Soviet patent medicines and raw materials for the pharmaceutical industry. In 1973, Sogo's turnover was about \$150 million, 70 percent in exports to the Soviet Union and 30 percent in imports by France. Plans for the future include an increase in exchange of medicines and also sales by Sogo of Soviet medicines in Spain.

Stankofrance (Longjumeau)

Stankofrance was organized in 1971 and represents the interests of the Soviet foreign trade organization Stankoimport in France. It acts as an agent for the sale of Soviet-produced machine tools, especially metal-cutting, forging, and pressing equipment. In 1972, Stankofrance opened a commercial center near Paris, which included an administration building, demonstration hall, and a spare parts warehouse.

Italy

There are four mixed Soviet-Italian companies operating in Italy.

Dolphin Agenzia Maritima (Genoa)

The Soviet-Italian maritime agency Dolphin Agenzia Maritima was reportedly set up late in 1976-early 1977. Sovinflat is assumed to be the major shareholder from the Soviet side. Italian interests are not known. The agency offers transport services.

Stanitaliana S.p.A. (Milan)

The Soviet foreign trade organization Stankoimport and the Italian firm FAMO founded Stanitaliana in late 1971 to import and sell Soviet-produced machine tools and forging and pressing equipment. The firm also sells electric-spark machine tools for the Soviet FTO Tekhmasheksport. Stanitaliana was the first joint So-

viet-Italian firm to be set up in Italy. Its capital was 320 million lire (\$512,000), with Stanko-import controlling 84 percent of the shares. In 1972, sales of machinery and equipment totaled about \$1.5 million; in 1973, about \$5.5 million; and in 1974, about \$6.9 million.

At present Stanitaliana has nine agents in Italy. It has property in Assago and plans to build a complex with a showroom, a spare parts warehouse, a machine-tool depot, a workshop, and a servicing facility.

Sovitalmare (NA)

Sovitalmare was organized in 1976 to charter cargo ships for freight between Italy and the Soviet Union. The firm's ownership is shared by the Italian state-owned shipping concern Finmare and the Soviet chartering organization Sovfrakht. The Italians reportedly hold the majority share in this joint venture.

Sovitpesca S.p.A. (Leghorn)

Sovitpesca was incorporated in early 1976 in Milan and has its administrative offices in Leghorn. Its responsibilities include transporting fish from the Soviet fleet to Italy, distributing this fish in both Italian and third country markets, and servicing Soviet vessels involved in the transportation of frozen fish.

Japan

Only one Soviet joint-equity firm operates in Japan.

United Orient Shipping Agency Company, Ltd. (Tokyo)

The United Orient Shipping Agency was formed in 1969 with an initial paid-up capital of 50 million yen (Y) (\$139,000) and authorized total capital of Y200 million (\$555,556). The Soviet chartering organization Sovfrakht and the Soviet-owned FESCO originally held 25 percent each, and the Japanese company Yamashita-Shinnihon and its affiliate Azuna Shipping Company, Ltd., hold 40 percent and 10 percent, respectively. The USSR wanted complete ownership, but Japanese law limited it to a 50-percent interest. The number of Soviet ships stop-

ping in Japanese ports has been increasing: in 1972, 2,769 ships visited 100 Japanese ports; in 1973, 3,696 ships stopped in 104 Japanese ports.

Luxembourg

Moscow has one joint stock company operating in Luxembourg, the East-West United Bank, S.A.

East-West United Bank, S.A.

East-West United Bank was established in mid-1974, becoming the sixth Soviet bank in Western Europe. It was capitalized at 250 million BF (\$6.4 million). The bank finances Soviet trade with the Benelux countries and engages in Euromarket operations. The bank is completely Soviet owned, with Gosbank holding 15 percent and the Foreign Trade Bank of the USSR 13 percent. The State Savings Bank Institution (Moscow) and seven Soviet FTOs hold 9 percent each. Between June 1974 and October 1975, the bank participated in 13 publicized Euro-dollar loans. The national banks of three countries of the Council for Mutual Economic Assistance were the recipients of four of these.

Netherlands

There are three Soviet joint-equity firms in the Netherlands. None has been particularly successful.

East-West Agencies (The Hague)

In 1969 the Soviets became the major shareholder of East-West Agencies (EWA), which had been operating since 1959 as a firm wholly owned by the Dutch. The Soviet FTO Mashpriborintorg represents Soviet interests in the firm. EWA sells Soviet-produced photographic, optical, and related equipment.

Elorg B.V. (Hilversum)

Elorg was formed in mid-1972 to sell Soviet computers in Europe and the Third World, to adapt Western peripheral equipment to Soviet computers, and to operate as a computer service agency. The Soviet FTO Elektronorgtekhnikha owns 65 percent of the shares; the balance is held by Dutch interests. Elorg's performance

thus far has been poor. Attempts to adapt Western equipment to the Soviet Minsk computer ran into difficulties and was stopped; its computer service sector has been plagued by poor performance. Future plans call for attempts to adapt Western peripherals to the Soviet Ryad computer.

**Transworld Marine Agency N.V.
(Rotterdam)**

The Soviets established a branch office of the Antwerp-based Transworld Marine Agency in mid-1972. Transworld Marine (Rotterdam) is responsible for servicing all Soviet merchant ships stopping at Dutch ports and for freight forwarding, customs and shipping matters, and insurance. Sovinflat reportedly holds the majority of Transworld Marine's stock.

Norway

Two Soviet joint stock companies operate in Norway.

Koneisto Norge A.S. (Drammen)

Koneisto Norge was formed in 1967 to handle the distribution of Soviet electrical engineering equipment, ships, machine tools and forging, pressing, and other equipment, as well as instruments and bearings. It is a subsidiary of Koneisto A.B. (Finland), and the majority of the stock is held by four Soviet foreign trade organizations and Koneisto A.B. Koneisto has been the more successful of the two Soviet joint stock companies in Norway. Its share of total Soviet exports to Norway has increased steadily over the years, and the company plans to expand its terminal facilities.

Konela Norge Bil (Oslo)

Konela Norge Bil was incorporated before 1970 to market Soviet automobiles and trucks in Norway. It has offices in Oslo and a technical center in Drammen. There were plans to set up a branch in Tromsø in late 1975 to permit the direct importation of cars from Murmansk, but it is not known whether these plans were carried out. The majority of Konela's sales are the Lada and Moskvich automobiles. Konela's share in the

Norwegian market remains negligible, it sold only 1,400 cars in 1974 and 1,750 in 1975.

Spain

Three Soviet joint stock companies operate in Spain.

Intramur, S.A. (Madrid)

Intramur began operations in November 1976 to service all Soviet merchant marine vessels calling at Spanish ports and in time to promote Soviet tourism. The Soviet shipping organization Sovinflat probably holds a substantial interest in the firm. A local firm (Barcomar) represents Spanish interests.

**Pesquerias Espanolas Sovieticas
Conjuntas, S.A. (Pesconsa, S.A.)
(Madrid)**

Pesconsa, S.A., was established to catch and sell fish in 1975. It was capitalized at 5.6 million pesetas (about \$100,000). One of the owners is Sovhispan (see below). The president (who is also a director of Sovhispan) is a Soviet citizen, as is one of the two vice presidents.

Sovhispan (Barcelona)

Sovhispan, the oldest of the Soviet-Spanish joint stock companies, was formed in 1971. Sovrybflot—subordinate to the Soviet Fisheries Ministry—holds 50 percent of the shares, while General de Tabacos de Filipinas of Barcelona and Suardias Chartering of Madrid hold 25 percent each. The company has an authorized capital of about 56 million pesetas (\$820,000) and is responsible for servicing the Soviet fishing fleet operating in the Canary Islands, including the processing and marketing of fish and fish products. Sovhispan set up an office in Moscow in 1976 to familiarize the Soviet market with Spanish products.

As of early 1976, Sovhispan was planning to expand its activity to Tenerife in the Canary Islands with the construction of a complex to service fishing ships. A fish-processing plant was also to be built. It is uncertain whether these plans were carried out. Sovhispan sold in 1975

more than 50,000 tons of Soviet fish products worth about \$29 million. Sovhispan also obtained orders in 1976 for the delivery of a minirefrigerator ship to the Soviet Union and another for reequipping 10 medium-size Soviet trawlers and repairing 160 Soviet fishing vessels.

Sweden

There are three Soviet joint stock companies in Sweden, all in Stockholm.

ALCO

The trading company ALCO was formed in late 1975 or early 1976. It is 51-percent Swedish owned; the minority interest is held by the Soviets.

Matreco Bil, A.B.

Matreco Bil is the oldest Soviet mixed company operating in Sweden. Its date of incorporation is not known. Avtoeksport holds 96.5 percent of the shares. The remaining 3.5 percent is owned by Konela, a joint Soviet-Finnish company. Its responsibilities include marketing and servicing Soviet-made automobiles. The firm has a commercial and technical center in Stockholm and branches in Goteborg, Malmo, Gavle, Solleflea, and Lulea and has sales and service arrangements with more than 32 dealers. Matreco is building about 10 kilometers north of Lulea a large exhibition center scheduled to open in 1978. It will display passenger and commercial vehicles, farm equipment, and industrial machinery and will be staffed largely with local people.

Scansov Transport, A.B.

Scansov Transport was formed in mid-1976 to act as a general agent for shipping between the USSR and Sweden and for Soviet international traffic. Sovinflat provided 60 percent of the initial capital, which is reported to be between 200,000 Krona (SKr) and 600,000 SKr (\$45,000 and \$135,000). The Swedish shipping firm Fallenius and Lefflers, A.B., of Goteborg and its subsidiary Aug. Anderson of Malmo added the balance. The firm plans to ultimately establish agents in Uddevalla, Goteborg, Malmo, Norrkoping, Sundsvall, and Umeaa—ports fre-

quented by Soviet ships. It also has plans to locate an office in Moscow to establish direct contact with Soviet import and export interests.

Switzerland

There is one Soviet company in Switzerland: a bank in Zurich.

Wozchod Handelsbank A.G.

Wozchod Handelsbank was formed in October 1966 to finance Soviet trade with Switzerland, as well as East-West trade in general. It is entirely owned by the Soviets. Wozchod's initial authorized capital of 20 million Swiss francs (SF)—\$4 million—had increased to about SF 65 million (\$20 million) by the end of 1973. Paid-up capital amounted to SF 45 million (\$14 million). The bank has been active in Eurodollar loans to LDCs since late 1975.

United Kingdom

There are seven Soviet joint stock companies in the United Kingdom. Under British law there is no limit to the number of such entities that can be established, but there is a ceiling on the total number of Soviet citizens that can be employed.

Anglo-Soviet Shipping Company, Ltd. (London)

The Anglo-Soviet Shipping Company has represented Sovfrakht in London since before World War II. Initially, the firm was concerned with chartering foreign ships for Soviet shippers and Soviet ships for foreign shippers. In 1968 its operations were expanded to include the handling of all commercial aspects of Soviet ships calling at the Port of London.

Black Sea and Baltic General Insurance Company, Ltd. (London)

Black Sea and Baltic General Insurance Company, Ltd., is a wholly owned Soviet concern formed in 1925 to facilitate the growing Soviet lumber trade. Its activities now cover the underwriting of marine, aviation, fire, accident, and life insurance. It also carries nonpayment risk coverage for commercial contracts with the Soviet Union and Eastern Europe.

In 1972, Black Sea and Baltic concluded an agreement with the American Home Assurance (a subsidiary of the American International Group, Inc.) for insurance coverage in the case of cancellation of orders by the Soviet Union after production has begun in the United States or in the case of nonpayment by Soviet buyers for merchandise already shipped. In 1973 a reinsurance agreement was reached with the American Foreign Insurance Association (AFIA) on nonpayment (credit insurance) and manufacturing risks for trade contracts between the United States and the Soviet Union. The company accepts 100 percent of the risks. The company opened its first branch in 1956 in Paris and is now represented in at least 12 non-Communist countries.

East-West Leasing Company (London)

East-West Leasing was established in 1973 to promote capital goods leasing deals between (1) the USSR and Eastern Europe and (2) the West. Ownership is split 50-50 between Moscow Narodny Bank and the British bank Morgan Grenfell. City Leasing, a Morgan Grenfell subsidiary, operates the enterprise on behalf of Morgan Grenfell.

Moscow Narodny Bank, Ltd. (MNB) (London)

Moscow Narodny Bank was registered as a limited company with full banking authorization in 1919. The major shareholders are the Soviet State Bank and the Bank for Foreign Trade; however, several other Soviet state organizations also have holdings. In December 1976 the capital of the bank was raised by 15 million pounds, to 40 million pounds (\$70 million).

The main function of Moscow Narodny Bank is to facilitate East-West trade. The bank experienced rapid expansion in the late 1950s and is now among the top 300 banks in the world with assets of over \$1 billion. Moscow Narodny also has branches in Singapore and Beirut.

The Singapore branch was set up in 1971 to finance Communist trade with Southeast Asia and provide financing for development projects

in the area. In the first few years, the bank's business emphasis went from financing shipping and trading companies in the Far East to actively dealing in the Asian-dollar market and then to venturing into domestic banking where it undertook a policy of aggressive lending. By 1974, MNB's Singapore branch had become one of the largest banks in Singapore. The collapse in 1975 of one of its largest debtors caused great financial difficulties for the branch. The Beirut branch of MNB opened in 1963 and is recovering from the effects of the Arab-Israeli Wars and the Lebanese conflict. It is involved in financing East-West as well as non-Communist trade.

Nafta, G.B., Ltd. (London)

Nafta, G.B., is the successor to Russian Oil Products, Ltd., which had been operating in the United Kingdom since before World War II. The firm was capitalized in 1968 at 50,000 pounds (\$120,000) and is entirely Soviet owned. It imports and exports oil and oil products.

Technical and Optical Equipment, Ltd. (London)

Technical and Optical Equipment was acquired by Moscow in 1968 from two Britons. The firm is wholly owned by the Soviets, with the foreign trade organization Mashpriborintorg and Moscow Narodny Bank being the major shareholders. The firm markets Soviet-made microscopes and photographic and optical equipment and acts as Mashpriborintorg's sole agent in the United Kingdom.

United Machinery Organization Plant, Ltd. (UMO) (Letchworth)

UMO was formed in 1969 to import and sell a variety of machinery and equipment, including earthmoving equipment, quarry excavators, diesel generators, compressors, and welding equipment. It also markets Soviet-made helicopters.

The company is wholly owned by the USSR and represents the interests of Traktoroeksport, Avtoeksport, and Machinoeksport and, to a limited extent, Sudoimport, Tekhmashimport, and Energomasheksport. It maintains a spare

parts and servicing facility at both Letchworth and Doncaster. Between 1972 and 1974, UMO sold more than 200 15-ton KrAS 256B dump trucks and thirty 30-ton 300-horsepower D572 bulldozers.

United States

The Soviet Union operates five firms in the United States; perhaps two involve American equity.

Amtorg Trading Corporation (New York)

Amtorg was incorporated in 1924 to purchase US products and sell Soviet goods on commission from the various Soviet foreign trade organizations with which Amtorg has agreements. It is wholly owned by the Soviets and has a branch in Moscow called Mosamtorg. Amtorg employs both American and Soviet citizens.

Belarus Machinery of U.S.A, Inc. (Milwaukee)

Belarus was formed in late 1976 or early 1977 to market Soviet tractors and related equipment. The Soviet FTO Traktoroeksport reportedly holds the majority interest. US shareholders, if any, are not known. In addition to its head office in Milwaukee, Belarus has plant facilities in New Orleans.

Morflot American Shipping, Inc. (MORAM) (Clark, New Jersey)

MORAM, established in 1976, is solely owned by the Soviet shipping organization Sovinplot. Besides its head office in Clark, offices are also located in Houston, New Orleans, and Dallas. It acts as the general agent for all Soviet shipping in the United States. There are no Soviet employees.

US-USSR Marine Resources Company, Inc. (Seattle)

US-USSR Marine Resources was set up in mid-1976. Ownership is divided equally between the Soviet fishing fleet organization Sovrybflot and the Bellingham Cold Storage Company. Operations of the firm are scheduled to include the catching, processing, and selling of fish, as

well as servicing the Soviet fishing fleet off the US west coast.

Sovfracht (USA), Inc. (New York)

Sovfracht USA is the representative in the United States for the Soviet chartering organization Sovfracht and is responsible for chartering Soviet and foreign dry cargo ships and tankers. The firm is based in New York.

Less Developed Countries

The number of Soviet joint-equity firms in the Third World has grown considerably in recent years. The most successful have been fishing firms, in both purely commercial ventures and those set up under government-to-government agreements that provide for significant amounts of Soviet aid. Through these firms the Soviets gain large profits, exploit new marine resources, and obtain onshore support facilities for Soviet fishing operations. In return, the Soviets provide technicians and technical assistance. Moscow usually holds a minority interest in the firms.

Cameroon

Keteko (NA)

The joint-equity firm Keteko was established in 1973 and sells Soviet motor vehicles and other types of machinery and equipment.

Ethiopia

Ethiopian-Soviet Trading Company, Ltd. (ETHSO) (Addis Ababa)

ETHSO was organized in 1967 with the Soviet FTO Energomasheksport holding a 72-percent interest. A local firm, Myriallis Papa-philippou Company, is the Ethiopian partner. ETHSO markets Soviet motor vehicles, farm machinery, and industrial equipment. Its main warehouse and sales facility is in Addis Ababa, and there are several ETHSO branches throughout the country.

Iran

Bank Russo-Iran (Tehran)

Bank Russo-Iran (RIB) was originally a joint Soviet-Iranian concern called the Russo-Persian

Banking Office, which was set up in 1923. In 1954 the USSR assumed complete ownership with Vneshtorgbank holding 84 percent of the interest and Gosbank the remainder. The bank's primary function is the promotion of trade between the USSR and Iran. RIB is quite small, even by Iranian standards: total assets in March 1976 were \$171 million. It opened a branch in Isfahan in October 1974.

Iraq

Rafidian Fisheries, Ltd. (NA)

Rafidian Fisheries, Ltd., was established in early 1974 with a capitalization of 10 million dinars (\$3 million). Fifty-one percent of the shares are Iraqi. An Iraqi is the president, and a Soviet is the vice president. The USSR has provided training, cold storage facilities, and fishing vessels. The headquarters of the firm are in Basrah Province.

Lebanon

Moscow Narodny Bank: Beirut Branch (Beirut)

See page 18, under firms in the United Kingdom: Moscow Narodny Bank.

Mozambique

Soviet-Mozambique Fishing Company

The Soviet-Mozambique Fishing Company will begin operations this year in Mozambique's fishing zone. Soviet and Mozambique partners hold equal interest in the firm and will split profits equally. Catches will be processed on ships of the mixed company and also at local enterprises. Products will be sold locally and in third countries. The first Soviet trawlers to be used in the joint venture were scheduled to arrive by June 1977.

Nigeria

West African Automobile and Technical Engineering Company (WAATECO) (Lagos)

WAATECO was founded in 1964 to foster the development of Soviet-Nigerian trade by

promoting the sale of Soviet motor vehicles. Soviet interests in the firm are held by the FTO Avtoeksport. In October 1969, it opened one of the largest commercial and technical centers in Lagos. Other branches are in Ibadan, Jos, Benin, Enugu, Kano, Maiduguri, Katsina, and Sokoto. Sales of the Lada automobile grew from 1,050 in 1972 to 4,000 in 1974.

Philippines

Fil-Sov Shipping Company (Manila)

Fil-Sov was established in 1974 by the Soviet organization Sovinplot and a local investor, E. M. Conjuangco. Conjuangco owns 60 percent of the shares and Sovinplot 40 percent. Despite subsequent injections of capital by the Soviets to cover operating deficits, the original investment ratio of 60 to 40 percent has stayed the same. Soviet rates are 10 to 20 percent lower than the conference rates, which adds up to considerable savings for the Philippine shippers.

Singapore

Marine Industries of Singapore-Soviet Company Pte, Ltd. (Marissco) (Singapore)

Marissco was established by Straits Fisheries Pte, Ltd., and the Soviet fishing fleet organization Sovrybflot in June 1975. This fishing venture was formed to purchase fish and fish products from vessels operated by Sovrybflot and to act as an agent for Soviet fishing vessels calling at Singapore. Marissco has plans to build a \$5 million fully integrated seafood processing and storage complex in Jurong.

Moscow Narodny Bank: Singapore Branch (Singapore)

See page 18, under firms in the United Kingdom: Moscow Narodny Bank.

Singapore-Soviet Shipping Company (SOSIAC) (Singapore)

SOSIAC was formed in 1967 as a joint venture company between the Soviet state shipping

agency (Sovinflot) and a private local company to control the activities of Soviet vessels in the Singapore-Malaysia area, including provisioning and bunkering services. Its chartering responsi-

bility was originally limited to vessels of the Soviet organization FESCO. By the end of 1970, however, it had become the official agency for 12 Soviet shipping lines.

APPENDIX B

Soviet Organizations Having Equity Holdings in Western Firms

| Responsibility | | Responsibility | |
|--|--|--|--|
| Foreign trade organizations subordinate to MFT | | Foreign trade organizations subordinate to MFT | |
| Almazyuvehireksport | Export and import of diamonds, jewelry, precious stones, and metals. | Sudoimport | Export, import, and repair of ships. |
| Aviaeksport | Export of aircraft. | Tekhnasheksport | Exports equipment for food, textile, light, and electronic industries. |
| Avtoeksport | Export and import of motor vehicles and agricultural machinery. | Tekhmashimport | Imports refrigeration equipment and goods for chemical and textile plants. |
| Eksportles | Export and import of lumber products. | Tekhnopromimport | Import of equipment for light industry. |
| Eksportlen | Export and import of cotton, flax, wool, silk, and related products. | Tekhsnabeksport | Export and import of radioactive isotopes, rare metals, and nuclear engineering equipment. |
| Elektronorgtekhnik | Export and import of computer equipment and electronic components. | Traktoroeksport | Export, import, and servicing of farm and road building machinery. |
| Energomasheksport | Export of power machinery. | Vneshposyltorg | Export of Soviet industrial and food products to Soviet citizens and institutions abroad. |
| Litsenzintorg | Export and import of patents. | | |
| Mashinoeksport | Export of heavy machinery. | | |
| Mashpriborintorg | Export and import of a wide variety of communications equipment and precision instruments. | Other entities not subordinate to MFT | |
| Prodintorg | Export and import of food products of animal origin and also sugar and vegetable oils. | Gosbank | Soviet State Bank. |
| Raznoeksport | Export and import of light industrial and consumer products. | Ingosstrakh | Main Administration for Foreign Insurance (subordinate to USSR Ministry of Finance). |
| Soyuzkhimeksport | Export and import of chemical products. | Sovfrakht | Soviet Chartering Organization (subordinate to USSR Ministry of the Maritime Fleet). |
| Soyuznefteeksport | Export and import of petroleum products. | Sovinflot | Serves as the agent for foreign ships visiting the Soviet Union and coordinates the activities of Soviet liner services and of agencies representing Soviet ships in foreign ports (subordinate to the USSR Ministry of the Maritime Fleet). |
| Soyuzplodoimport | Export and import of foodstuffs and agricultural products of vegetable origin. | Sovrybflot | Soviet fishing fleet (subordinate to the Ministry of Fisheries). |
| Soyuzpromeksport | Export and import of ferrous metals, coals, mineral ores. | Vneshtorgbank | Foreign Trade Bank (a joint stock company whose principal shareholders are Gosbank, Ingosstrakh, and several foreign trade organizations). |
| Soyuzvneshtans | Transport of exports and imports and shipments of transit goods through the USSR. | | |
| Stankoimport | Export and import of machine tools and precision instruments. | | |

APPENDIX C

Soviet Organizations and the Companies They Have Invested In

| | Company | Country | Percent Share |
|--|---------------------------------|----------------|---------------|
| Foreign trade organizations subordinate to MFT | | | |
| Almazyuvelireksport | Russalmaz | Belgium | 80 |
| | Russalmaz | FRG | 80-90 |
| Aviaeksport | Socan Aircraft | Canada | 66.6 |
| Avtoeksport | Ferchimex | Belgium | 1 |
| | Keteko | Cameroon | NA |
| | Konela | Finland | 1 |
| | Konela Norge Bil | Norway | 1 |
| | Matreco Bil | Sweden | 96.5 |
| | Nafta-B | Belgium | 1 |
| | Scaldia-Volga | Belgium | 1 |
| | UMO | United Kingdom | 1 |
| | WAATECO | Nigeria | NA |
| Eksporthes | BELSO | Belgium | 1 |
| | Rusbois | France | NA |
| | Russholz | FRG | NA |
| Elektronorgtekhnika | Elorg Belgie | Belgium | 1 |
| | Elorg B.V. | Netherlands | 65 |
| | Finn-Elorg | Finland | NA |
| Energomasheksport | EMEC | Canada | 100 |
| | ETHSO | Ethiopia | 72 |
| | Koneisto | Norway | 1 |
| | UMO | United Kingdom | 1 |
| Mashinoeksport | Koneisto | Norway | 1 |
| | Scaldia-Volga | Belgium | 1 |
| | UMO | United Kingdom | 1 |
| Mashpriborintorg | East-West Agencies | Belgium | 1 |
| | East-West Agencies | Netherlands | NA |
| | Slava | France | NA |
| | Technical and Optical Equipment | United Kingdom | 1 |
| Prodintorg | BELSO | Belgium | 1 |
| Raznoeksport | BELSO | Belgium | 1 |
| Soyuzkhimeksport | Ferchimex | Belgium | 1 |
| | Nafta-B | Belgium | 1 |
| | Sobren Chemiehandel | FRG | 49 |
| | Sogo and Company | France | NA |
| Soyuznefteeksport | Ferchimex | Belgium | 1 |
| | Nafta-B | Belgium | 1 |
| | Nafta, G.B. | United Kingdom | NA |
| | Teboil | Finland | NA |
| | Suomen Petrooli | Finland | NA |
| Soyuzplodoimport | Plodimex | FRG | NA |
| Soyuzpromeksport | Ferchimex | Belgium | 1 |
| | Nafta-B | Belgium | 1 |
| | Technical and Optical Equipment | United Kingdom | 1 |
| Soyuzvneshtrans | Asotra | Austria | 52 |
| | Wesotra | FRG | 52 |
| Stankoimport | Koneisto A.B. | Finland | 1 |
| | Koneisto Norge | Norway | 1 |
| | Stan Canada | Canada | 100 |

(Continued next page)

Soviet Organizations and the Companies They Have Invested In (Cont.)

| | Company | Country | Percent Share |
|---|---|----------------|---------------|
| | Stanitaliana | Italy | 84 |
| | Stankofrance | France | NA |
| Sudoimport | Koneisto | Finland | 1 |
| | UMO | United Kingdom | 1 |
| Tekhnasheksport | Koneisto Norge | Norway | 1 |
| | Neotype | FRG | 1 |
| Tekhmashimport | UMO | United Kingdom | 1 |
| Tekhnopromimport | Neotype | FRG | 1 |
| Traktoroeksport | Actif-Avto | France | 70 |
| | Belarus Equipment, Ltd. | Canada | 80 |
| | Belarus Machinery of U.S.A. | United States | NA |
| | Konela | Finland | 1 |
| | Scaldia-Volga | Belgium | 1 |
| | UMO | United Kingdom | 1 |
| Vneshposyltorg | BELSO | Belgium | 1 |
| Other entities not subordinated to MFT | | | |
| Gosbank | BCEN | France | 1 |
| | Donaubank | Austria | 1 |
| | East-West United Bank | Luxembourg | 1 |
| | Moscow Narodny Bank | United Kingdom | 1 |
| | Ost-West Handelsbank | FRG | 1 |
| | Russo-Iran | Iran | 1 |
| | Wozchod Handelsbank | Switzerland | 1 |
| Ingosstrakh | Black Sea and Baltic General Insurance Co. | United Kingdom | 100 |
| | Garant | Austria | 1 |
| | SOVAG | FRG | 100 |
| Sovtrakht | Anglo-Soviet Shipping Company | United Kingdom | NA |
| | Garant | Austria | 1 |
| | Sovtrakht (USA), Inc. | United States | NA |
| | Transworld Marine Agency | Belgium | NA |
| | Sovitalmare | Italy | NA |
| Sovinflot | Fil-Sov Shipping Company | Philippines | 40 |
| | Intramir | Spain | NA |
| | Morflot American Shipping, Inc. | United States | NA |
| | Morflot Freight Liners | Canada | NA |
| | Opal Maritime Agency | Australia | NA |
| | Sagmar | France | NA |
| | Scansov Transport | Sweden | 60 |
| | SOSIAC | Singapore | NA |
| | Transworld Marine Agency | Belgium | 1 |
| | Transworld Marine Agency N.V. | Netherlands | NA |
| | Ueberseechiffahrtsagentur Transnautic | FRG | 50 |
| Sovrybflot | Fransov | France | 50 |
| | Marissco | Singapore | 49 |
| | Pesconsa | Spain | 1 |
| | Sovhispan | Spain | 50 |
| | United Orient Shipping Agency | Japan | 25 |
| | US-USSR Marine Resources Company, Inc. | United States | 50 |

¹ Shares are held by more than one Soviet Organization

90

50